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Today

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Worth Repeating

[New Deal Democrats] told us that they were going to guarantee that when we put our money in the bank, our money would be insured — and they did what they said. They did not lie to us.

Texas State Treasurer Ann Richards in the keynote address at the Democratic National Convention. [Page 1]

TV Expedites Validation of Visa Charges

By JEFFREY KUTLER

NEW YORK — Now that its payment system spans the globe, Visa International is introducing technology and changing some procedures to make bank cards acceptable in retail establishments that have tended to shun credit cards.

Visa wants to use television signals to transmit its authorization files to what it calls "high-throughput merchants." These would include outlets where speed is of the essence: fast-food restaurants, convenience stores, movie theaters, sports arenas, gas stations, and parking lots.

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With authorization files broadcast directly into a store's computer system, transactions could be completed within an instant of a Visa card's passage through an electronic point-of-sale terminal.

To keep patrons moving through the lines, merchants would not have to imprint the traditional sales drafts, get customers to sign them, and return a carbon copy. The documentation would be unwieldy in a quick-service environment where transaction amounts are relatively small; Visa offers to scrap it in the interest of "throughput."

Visa officials call it the Express Payment Service and tout it as a way to make bank cards a reasonable alternative to cash. They have at least one fast-food retailer willing to test the proposition, and other merchants are said to be interested.

Arby's, a purveyor of roast beef sandwiches, will be the first to demon-

Visa: Page 23 ➤

DEMOCRATIC NATIONAL CONVENTION

Keynoter Alludes to FSLIC Woes

By ROBERT M. GARSSON

ATLANTA — In recalling her party's glory days, Texas State Treasurer Ann Richards told a jubilant Democratic National Convention about the creation of the deposit insurance system under President Franklin D. Roosevelt.

New Deal Democrats, she said, "told us that they were going to guarantee that when we put our money in the bank, our money would be insured — and they did what they said."

"They did not lie to us," she added emphatically, bringing delegates here to their feet in one of many ovations for her keynote address on Monday night.

Deposit insurance is not likely to receive many more moments of floor time at the Democratic National Convention. Delegates are talking about other issues: drugs, trade, and advance notice of plant closings.

But for a significant number of delegates, the federal deposit insurance system — particularly the battered Federal Savings and Loan Insurance Corp. — is a difficult, worrisome issue. It is looming ever larger in their calculations about what decisions the next President must make during his first months in office.

"The numbers are moving so quickly, from $15 billion to $50 billion," said Rep. Marcy Kaptur, D-Ohio, refer-

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RMA Unveils Lender Training Program

By JOHN P. FORDE

NEW YORK — Robert Morris Associates, the national association of commercial bank lenders, unveiled the first courses Tuesday in a comprehensive program designed to train commercial lenders in all stages of their careers.

The program, called "Mentor," is the Phildelphia-based trade group's response to the cost of training bank officers, which it claimed can run as high as $100,000 a year per employee, including salary.

The three-track program is designed for bankers with varying levels of experience. The courses can be viewed as lower-cost alternatives for banks that would otherwise have to devise their own training programs to suit the specific needs and experience of their employees.

Training programs within banks "are expensive and they do not zero in on a given segment," said William H. Sayre, president of the group, at a press conference. Mr. Sayre is also an executive vice president at Fidelcor Inc. and Fidelity Bank, Philadelphia.

The new courses, he added, can also supplement a bank's in-house training and educational efforts from other sources, such as courses offered by other trade groups.

The Mentor program will eventually offer between 25 and 30 courses. On Tuesday, the group announced financial accounting, business writing for bankers, using credit information in risk assessment, uniform credit analysis, sales techniques for commercial lenders, sales management for commercial lenders, and commercial loan

RMA: Page 19 ➤

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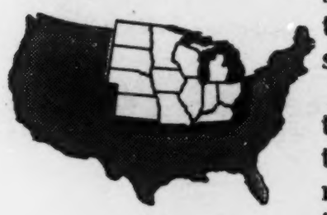
FROM THE REGIONS:
THE MIDWEST

National Banks in Midwest Hope Court Rule will Expand Branching

By RICHARD RINGER
Midwest Bureau

CHICAGO — Despite a precedent-setting case that gave national banks broad branching powers, national banks in the Midwest have had little succeess circumventing branching restrictions in their home states.



To ease these restrictions, several national banks in a small but increasing number of Midwest states are relying on a Mississippi national bank's successful establishment of a branch that was expressly prohibited by state law.

In February 1987, a federal appeals court upheld a decision by the Comptroller of the Currency that gave more liberal branching authority than existed under Mississippi law to Deposit Guaranty National Bank, Jackson, Miss.

The Comptroller ruled that since Mississippi's savings and loans had statewide branching authority and banklike powers, national banks in Mississippi should have the same branching rights.

Since the appellate ruling on this case, the Comptroller's office has faced court challenges to its approval of branching applications from national banks in states where there are restrictions.

The Mississippi ruling is not binding on federal courts in other districts. Still, federal appeals courts in other states, most recently in Texas, have supported the ruling and have given national banks broader branching powers than are allowed in their home states.

And many banks and their attorneys believe their cases for expanded powers are similar to the Deposit Guaranty case. Perhaps.

Judging from the record, the similarities are not as close as the banks maintain. To date, no national bank in the Midwest using the Deposit Guaranty argument has won its case. The Comptroller has yet to approve any branch application by a Midwest national bank that has cited the Mississippi arguments.

Use of Precedent

National banks using the Deposit Guaranty precedent to ease restrictions on branching in their home states

Application status	Nationwide	Midwest
Filed[1]	100	6
Approved	44	0
Denied	1	0
Pending	54	4

[1]Filed with Comptroller as of June 30. Applications by two Detroit national banks are now moot because of a statewide branch banking law that takes effect Aug. 1.
Source: Comptroller of the Currency

Significantly, however, national banks continue to press the issue even at the prospect — and sometimes outright threat — that they will be challenged in court. In one instance, the Michigan Legislature rewrote its branching law after two national banks filed applications based largely on arguments used in the Deposit Guaranty case. Here's an update:

• In Indiana, the Comptroller has not yet ruled on a branching application by Indiana National Bank, Indianapolis, despite rumors circulating in February that a ruling was due in about a month. Indiana National filed the application nearly a year ago on July 27.

"We're waiting," Greg Schenkel, a vice president at Indiana National Corp., the bank's parent company, said last week. "We truly don't know when a decision will be rendered."

He said the Comptroller requested additional information pertaining to the bank's application to open a branch in Bloomington, outside the region allowed under Indiana law.

Each time more information is requested while reviewing a branch application, the evaluation period starts over again, said Leonora S. Cross, a spokeswoman for the Comptroller's office.

Some bank attorneys say the delay in

From the Regions: Page 22 ➡

Survey Shows Losses Are Low in Swap Market

By LISABETH WEINER
Midwest Bureau

CHICAGO — Outstandings in the five-year-old interest rate and currency swap markets have surpassed the $1 trillion mark, while losses from these products have totaled only $33 million — a fractional amount of the business that has been booked.

These findings were released by the International Swap Dealers Association based on surveys prepared by Arthur Andersen & Co.

"We think this makes a good case to regulators around the world that this product has a relatively low credit risk, and that's true for both interest rate and currency swaps," said Mark Brickell. He is vice president of Morgan Guaranty Trust Co. and chairman of the swap dealers group.

An interest rate swap is an exchange of debt obligations between counterparties. In the most common type of swap, one party exchanges its floating-rate debt for another party's fixed-rate debt. A currency swaps might exchange U.S. dollar debt for Japanese yen debt. Financial institutions, government agencies, and corporations use these tools as a means of managing their balance sheets and reducing their funding costs.

The survey was based on responses from 49 market participants, including the largest in the world. It concluded that at the end of last year interest rate swaps comprised 80% of the global swaps market, with $889.5 billion in outstanding notional value. Currency swaps have outstandings of $219.2 billion. The results, which include the market among dealers themselves, are based on 52,629 transactions.

New Swap Business in 1987

In millions of U.S. dollars

Currency	Interest Rate Swaps	Currency Swaps
U.S. dollars	$286,731	$38,459
Yen	31,615	13,710
Deutsche marks	22,331	5,782
Sterling	20,466	2,112
Other	26,715	25,761
Total	387,858 (81.88%)	85,824 (18.12%)

Source: International Swap Dealers Association Inc.

Writeoffs from swaps totaled $33 million and consisted of 23 swap transactions with a combined notional or face value of $283 billion, according to the survey. Of the 71 firms surveyed, 11 had losses on their swap portfolios. Of those swaps that failed, 19 were U.S. dollar-denominated interest rate

Losses: Page 23 ➡

Security Pacific Shakes Up Staff

By MICHAEL J. PARKS

Security Pacific Corp., Los Angeles, on Tuesday announced new assignments effective Aug. 1 for several executives involved in its California, Arizona, and Washington operations.

A week earlier, Security Pacific's subsidiary in Seattle, Rainier Bancorp., announced the layoffs of about 4% of its employees. Rumors have also circulated that Security Pacific may change Rainier's name.

Several regional banking companies have been working on ways to improve the efficiency of their operations following large interstate mergers, and Security Pacific's executive shuffling may reflect that trend.

Jon M. Christoffersen, 45, now president of Rainier Bancorp. and Rainier National Bank in Seattle, will move to Los Angeles to become vice chairman and chief administrative officer of Security Pacific National Bank. He will report to Robert H. Smith, Security Pacific National's president, and will head financial and administrative units. The bank has four other vice chairmen.

Replacing him in Seattle as president and chief operating officer of Rainier Bancorp. and Rainier National Bank will be John C. Getzelman, 45, now a Security Pacific executive vice president.

In Phoenix, Robert L. Matthews, 50, formerly president of Arizona Bancwest Corp. and the Arizona Bank, has been elevated to chairman of both and remains chief executive.

His successor as president is William S. Thomas, 44, a Security Pacific executive vice president, who becomes chief operating officer of the holding company and the bank. Don B. Tostenrud, 63, moves from chairman to chairman emeritus of Arizona Bancwest and remains executive committee chairman.

In Seattle, Gordon F. Given, 52, W. Thomas Porter Jr., 54, and Stanley D. Savage, 43, have been elected vice chairmen at Rainier National. All are now executive vice presidents.

A Security Pacific spokeswoman said, "There's no name change for Rainier in the works today." But, she added, that does not preclude the possibility of a future name change. ■

FINANCIAL TECHNOLOGY UPDATE

A modular design provides ATM flexibility. The modular design of the 5070 Single Solution Terminal (SST) from NCR is designed to enable banks to start cost-effectively and upgrade capacity as volume grows or upgrade to full function as requirements change. Financial institutions can now make economical use of those sites that are initially high in visibility but low in volume.

Advanced processing for branch automation. The Financial TOWER System 2 (FTS 2) from NCR is a state-of-the-art transaction processing system for branch automation. FTS 2 can provide a total solution in advanced hardware, software and communications in an open architecture designed to accommodate tomorrow's emerging technologies. The system also incorporates an advanced platform selling environment with sophisticated networking capabilities designed to provide customers with superior service.

The People's National Bank, of Easley, South Carolina, recently purchased NCR's Banker 80-II account processing system. According to Robert Dye, President of The People's National Bank, "The tremendous power of this small system enables the fledgling financial institution to effectively compete in an arena of giants." Mr. Dye also stated that he was impressed with the abundance of customer information made available, and the system's flexibility to tailor individualized products.

NCR provides in-house item processing with the NCR 7720-3101 intelligent item processing system. The 7720-3101 is designed to be cost effective and efficient, reducing document handling while increasing accuracy. This automated, one-step system has the following basic capabilities: encoding, endorsing, sorting, and transmission of data to and from a host.

For additional information on these new developments from NCR, phone 1-800-CALL NCR.

NCR

July 20, 1988, American Banker

Recovering from Job Loss? Draft Your Plan of Action

By GEORGIA HICKEY

Second of Four Articles

AVOIDANCE and procrastination are enemies waiting to sabotage your efforts. Recognize them for what they are — normal responses to change and depression. Do not lull yourself into complacency by taking a vacation or six weeks off to paint the house.

Though you will certainly not be at your best right now, the activity of drawing up your plan will be a positive and reinforcing step for you. It will help to move you from the past and toward your future.

Your plan should incorporate provisions for managing your finances, for negotiating severance pay and/or services, and it should provide the initial framework for your job search.

Ask to participate in drafting your severance package. If you're a senior officer or an employee with long service, you have more leverage than you may realize.

First and foremost, negotiate for the continuance of your insurances, particularly medical coverage. While life insurance is relatively affordable and orthodontia can be postponed, medical coverage for you and your family is almost out of reach to individuals.

Most employers are willing to continue your coverage for 30 days, and some for much longer. Arrange, if you can, the option of continuing coverage indefinitely (until you're covered by a new employer) by making the payments yourself, but at the company's group rate. You must maintain coverage; without it, an accident or illness could destroy you financially.

Next, try to obtain secretarial support for as long as it's feasible. Having someone to depend on for messages, correspondence, and word processing is an extremely valuable resource.

If your employer offers an outplacement service, try to negotiate for the money instead. You can then selectively retain a counselor or pay for services as needed, resulting in a more customized program. This avoids the cookie-cutter approach used by most outplacement agencies.

Do not limit the scope of your job search at this juncture. Far too many limit themselves to their own backyard for the first several months of a search, and too often local opportunities are limited (or nonexistent).

Do not miss an attractive position because it means you have to move. If you develop both local and out-of-town possibilities or offers, you will have the luxury of evaluating trade-offs and choosing which makes the best sense for you and your family.

If, however, you go for many months with no opportunities in the local market, it is difficult to convince potential employers that relocating to accept a position is anything but a last resort. They will be skeptical of your long-term commitment.

Take Good Care of Yourself

Most people badly underestimate the amount of time and effort required for a successful job search. It can be a long and difficult ordeal, and most people find it requires them to work harder than they've ever worked in their lives.

There may never be another time in your life when you will be more vulnerable to stress and depression. It is imperative that you confront these potentially debilitating forces and counter them with good eating habits, a good night's sleep, regular exercise, and attention to personal grooming.

Before you dismiss this as too obvious, it's not as easy as it sounds. Your business schedule and former coworkers have had profound influence on your life-style and the habits you've formed.

Once removed from the environment and schedule you' re used to, you are going to feel disoriented and depressed. Your eating and sleeping habits will suffer. You'll indulge yourself with late night TV, favorite snacks, and mornings when you skip your grooming rituals.

You must get up and get going as you used to; eat regular meals and avoid lounging around in your bathrobe. Psychologically, it' s advantageous to wear appropriate business clothes, just as you did when you left for the office. But, if that seems too extreme, at least wear your best casual clothes and present a well-groomed exterior, just as you did at the office.

Carefully assess your personal appearance and your wardrobe with an eye toward packaging your product. Now is the time to lose any extra pounds and to invest in the tailoring or repairs needed to put your suits and shoes in top condition. . .

Don't add unnecessary stress. Make your first-round and second-round interviewing selections now, not the night before. Choose the clothes that make you look best and feel most attractive. They must be conservative, well-tailored and businesslike.

If you're not happy with anything you own, and if tailoring is not the answer, it's time to add a confidence builder. Even if it pinches your budget, you must not underestimate the importance of presenting yourself well.

Set Up A Command Post and a Schedule

Whether your former employer has given you office privileges or not, you will need a quiet, private place at home for the tasks ahead. It may be the guest

Nancy Doniger

room, the basement, or the attic — but it must be as comfortable, well lit, and appealing as possible.

You will spend many hours in your new office, and your moods will be affected by your surroundings. Be sure they are not gloomy, shabby, or depressing in any way.

Assemble all the supplies you will need: a calendar, letter files, card files, phone index, pens, note pads, etc. If you have a personal computer, you have a valuable ally. Take full advantage of its capacity to help you keep accurate records, draft your resume and correspondence, and manage mailing lists.

If your budget will accommodate it, install a separate phone line so your business calls will not be interrupted by someone picking up an extension. Your family will not need to forego talking with friends and relatives because you may miss a call, or because you have a list of calls to place or return. Also, you will find it easier to substantiate the tax-deductible expenses relating to your job search.

For all of your working life, you have been on a schedule of when to get up, when to be at the office, when to go to lunch, when to go home. Do not underestimate the comfort value of a schedule. It provides a framework for our lives, our work, and sense of purpose. Now, more than ever, you must fight the temptation to drift along, to sleep late, or otherwise drastically alter your way of life.

Establish a schedule for yourself and adhere to it as much as possible. Just as you did when you were working, discipline yourself to scheduled luncheons and fit your errands in around your work time. If you do a thorough job of looking for a job, you may find you have less free time now than when you were employed.

There are peak hours during each business day when the people you're trying to reach are most accessible, and when they're most likely to return your calls. Also, try to identify your personal peak hours, when you are most alert and capable.

As a general guideline, peak business hours are 8:30-11:30 a.m. and 2-4 p.m. Whenever possible, use personal peak hours to your advantage and place phone calls accordingly. Slack time should be devoted to the paperwork, reading, record keeping, and planning that will support your search.

If your former employer has not provided a secretary to take your messages, you should have an answering machine. Use a simple, businesslike message. If your budget allows, consider employing an answering service.

Spend as little time as possible at your former office, even if its use is part of your severance agreement. If you have long-distance call privileges, plan your list of calls, make them and leave.

It is not healthy for you, or for those employees who remain, when you spend protracted periods of time in your former office. It diverts your attention from the present and future to the past, and will underscore your sense of loss. You are now on the outside looking in. The feeling is unavoidable when you linger in your old surroundings.

Put Yourself in Charge

Finding another job is *your* job. It's a difficult lesson, which is too often too late learned. The sooner you accept full responsibility the better.

If, psychologically, you turn the job over to someone else, or sit back and wait for one of your contacts to rescue you, you will lose valuable time. You will risk being disappointed, embittered, or financially drained.

This does not mean you cannot or should not "network" — because you must. How you go about networking and where you place your emphasis will be governed partially by your attitudes about privacy.

For instance, you may or may not decide to tell your friends and neighbors of your situation. While it's true they are seldom able to offer anything but sympathy and some emotional support, you and they may feel better if you don't keep them in the dark.

> Most people underestimate the amount of time and effort required for a successful job search.

You should contact your business acquaintances and members of professional associations and clubs. But don't be surprised if your new status causes them to back away. Most will want to help, but your request also makes them feel responsible for finding a solution they may not have.

Unless they' re able to do something concrete, your situation will make them uncomfortable. Further, it reminds them of their own vulnerability. So, let them know, but don't depend on them, and don't hold it against them if they don't keep in touch.

Don't overlook your college alumni office, particularly if you're a graduate of a big-name school. You'd be surprised how often executive recruiters use these college offices as one of their sources to find candidates.

If you've been smart enough to cultivate a relationship with a recruiter before now, this could be your best resource for qualified information about a resume format, job-search strategies, and the marketplace both locally and nationally. If you don't already know a recruiter who specializes in banking,

Comment: Page 20 ➡

Ms. Hickey, a certified personnel consultant, is managing principal of the Quest Group, financial management search consultants based in Hartford, Conn.

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Visa Uses TV Signals to Speed Credit Validations

Continued from Page 1

strate Express Payment Service beginning next month at 17 outlets in Arizona.

There will be "no fussing with cash, making change, or working with sales drafts, imprinters, and the like," said J. Pino Francini, general manager of Visa International, San Mateo, Calif.

Thus, Visa is positioning itself to compete not only against the likes of MasterCard International and American Express Co., but against the most dominant payment system of all — paper.

Cash and checks are used in an estimated 90% of consumer payments. Mr. Francini called this "an untapped territory that holds the potential for tremendous growth in our members' [card] programs, provided we can accelerate transactions while maintaining control over fraud and credit losses."

Several factors coalesced to create the Express Payment initiative: Visa's desire to reach the small-dollar transaction market; Arby's willingness to test the impact of credit cards on its sales; and the availability of a new transmission medium — television signals — for authorization files.

Authorizing these transactions — assuring that the cards are valid and have open lines of credit — is essential. Most fast-food transactions fall below the $50 floor that requires a call to Visa's authorization center, but an electronic check against the "hot card" file would prevent massive losses if lost, stolen, or invalid cards were circulating.

Telephone calls to a Visa authorization center are time-consuming. Conventional computer links to an authorization center, typically via telephone lines, can be expensive.

Visa has encouraged its members to explore telecommunications alternatives, such as the unused portions of television and radio signals, which some retailers may find more efficient for obtaining authorizations.

Last year, seven Kessler's Department Stores in Georgia, working with First National Bank of Atlanta, began using an FM radio station's sideband capacity for this purpose. Kessler's has since gone on to receive the cardholder data on the unused portion of a public television station's signal, known as the vertical blanking interval, or VBI.

The Public Broadcasting Service will also be providing the VBI facility for Visa transmissions to Arby's in Arizona.

The interval may appear on any television screen as a black line when the picture begins to roll, but any business data in the channel could not be decoded without special equipment.

Kessler's and Stats, a wholesale florist in Southern California, used the broadcast media only for authorizations; they continued to follow the sales-slip procedures that are being eliminated in Express Payment Service.

Opportunity in Fast Food

The fast-food industry does $55 billion in annual sales, and virtually none of that on bank cards, Mr. Francini said. Some chains, including McDonald's Corp. and Wendy's International Inc., have participated in bank-owned automated teller machine networks or point-of-sale debit card systems, but on a small scale.

Arizona has been a hotbed of electronic point-of-sale activity. Cactus Switch, a statewide system operated by the Arizona Clearing House Association, is handling more than 500,000 debit card transactions per month. Accounts are settled via the automated clearing house network.

Coincidentally, Visa will soon begin providing automated clearing house services to the Arizona Clearing House. Although Arby's has not yet participated in the Cactus Switch, Visa's Express Payment Service might be seen as a competitive challenge to the debit card system.

Arby's this year became one of the few fast-food retailers to accept credit cards, offering an "extra convenience" at 19 outlets in the Cleveland area, said Len Roberts, president and chief executive officer of the 2,000-store chain.

"Credit cards provide customers with an alternative and nontraditional payment method that attracts new customers and stimulates add-on purchases," Mr. Roberts said.

An analysis by Arby's and its transaction-processing bank — Chemical Bank, New York — showed the average credit card sale to be twice as high as a cash purchase, Mr. Francini said. That experience led Arby's into a test of new technology in Arizona.

In preparation for six months, the new system involves transmission of up-to-date "hot card" listings each day. It is an efficient delivery mechanism, Mr. Francini said, and it gives the retailer more security and reliability than the printed warning bulletins, which are updated only every other week.

"We purposely are going after merchants that are not known for accepting credit cards, because we think this will answer their misgivings," Mr. Francini said of Express Payment Service.

He said the television vertical blanking interval has greater potential than the FM sideband method because "there is no place in the world not reached by TV signals. This is not true of FM radio."

The system that Visa is setting up for Arby's is nondiscriminatory — it will allow Arby's to accept MasterCard as well as Visa. But Visa transactions will be completed within a second or two because of the immediate accessibility of the "hot card" file. It may take a minute for a MasterCard authorization to be returned, Mr. Francini estimated. ■

Losses in Swap Market Are Low, Survey Shows

Continued from Page 2

swaps, two were nondollar interest rate swaps, one was a currency swap, and one was unidentified.

Swap business booked in 1987 totaled $473.7 billion, according to the survey. Of that amount, $387.9 billion or 82% were interest rate swaps and $85.8 billion or 18% were currency swaps.

U.S. dollar interest rate swaps have dominated the market, holding 79% of total outstandings. Last year, $286.7 billion in U.S. dollar interest rate swaps were booked.

The dollar also dominated in currency swaps. Of all outstandings, $98 billion or 45% of the market involved the dollar on one side of the transaction.

The relatively low level of losses from swaps speaks well of the product, Mr. Brickell said, especially as federal regulators are formulating risk-based capital guidelines.

"We think it strengthens our view that there are low risks for currency and interest rate swap products," he said. "It's a good indication of the quality of the counterparties."

Swap dealers have been concerned that, under proposed international capital guidelines, the large amount of capital required to back currency swaps would be disproportionate to what they see as the low risk of the product.

Mr. Brickell said the fact that there has been been only one loss from a currency swap "hints at the possibility that currency counterparties have even a higher level of quality than other counterparties." ■

Cancer Victim's Family Poured Grief into Film

Continued from Backpage

and follow-up continues for five years beyond that. In addition, weaknesses caused by the severe treatments can result in other cancers or illnesses.

One 11-year-old at the hospital has been through eight years of chemotherapy, including four relapses, Ms. Tilley says. Amputations may result, and radiation treatments may stunt growth or cause learning disabilities.

"Our focus is to make it [the illness and treatment] a part of their life, but not the controlling factor of their life," explains Ms. Tilley.

Typically, the first week is a terrible shock for the family. Batteries of medical tests for the victim, medical explanations for parents and child, a shattered routine, and fear of the prognosis result in families that are, Ms. Tilley says, "pretty much a wreck."

Once the diagnosis is in, a period of discussion begins about what it means, identifying resources and agencies that can help with the problem, and getting guidance on decisions about jobs, schooling, transportation, and family.

This is the period when the hospital will show the parents — and usually their older children — the "sibling film," the movie that helped make the Langfords aware of the subtle dynamics within the family.

The pressures would drain any family. Typically, mothers will stay with the sick child, which may mean being far from home and family. Fathers worry about the medical bills. Both parents are exhausted. Care of the other siblings may be farmed out, at least part-time, to friends and relatives.

Changes Are Permanent

Their lives will never be the same. Mrs. Langford says 85% of the parents of a child who dies wind up getting divorced. They often become intolerant toward other parents who are worrying about what they deem relatively minor problems.

The hospital stresses being honest with its young patients. Some of those with terminal illnesses may not want to talk about it, Ms. Tilley says. Others deal with it in different ways.

One motocross bike-racing champion, she recalls, began having dreams in which he lost every race. Others, near the end, may need "permission" from their parents to stop fighting and accept death.

"The children teach the parents a lot about living and dying. Most are givers rather than takers. They are very wise and giving to other people," she says.

The hospital encourages parents and siblings to stay with the victim, even sleeping overnight in the same room to lessen fears and isolation for victim and family alike. It offers sibling support groups and summer camps where siblings and victims can just grow and have fun together.

Still, Ms. Tilley says, the siblings often suffer a variety of problems, just like their parents: anger, resentment, isolation, guilt, fear of getting cancer, feeling left out, wondering if their ill brother or sister will die, feeling the victim is spoiled, jealousy, overprotectiveness toward the victim, and even getting into fights with others about, for example, the victim's loss of hair.

"Give them real support rather than mouthing 'I'm so sorry,' " Mr. Langford advises those who would help families in which cancer has struck. "Help them so they can get back to their family on a minute's notice:

" 'How can I help you, Ken? Is there something I can do for you? Have you got to get home today?' Give them real support, so you can make it easier at home.

"Don't avoid that family. Go to them. Don't make them feel ostracized.

"I've been a diabetic all my life. I was brought up [to believe] diabetics must take care of themselves. It took me into Lesa's death with the same feeling: You have to cope with it yourself.

"I think Lesa's death has turned that completely around. I believe, truthfully, that it has helped me — from the standpoint [of learning] that you can't do it all yourself." ■

From the Regions. .

Continued from Page 22

Michigan banks to open branches anywhere in the state beginning Aug. 1. The precipitating force, said Richard B. Foster Jr., president of Banconsult Inc., a Lansing consulting firm, was when two Detroit national banks filed branch applications last year.

Last Oct. 13, Michigan National Bank of Detroit filed an application to open a branch that, under the old law, was prohibited. And on Dec. 31, Manufacturers National Bank of Detroit filed an application to open a branch where it was prohibited under the old law.

"Statewide branching would not be taking effect so soon if it were not for the two national banks' pressing the issue, said Mr. Foster. "Getting statewide branching was like a glacier moving forward — very slowly."

Still, there is hope. Bankers compare this branching battle to efforts to get interstate banking laws approved.

A few years ago, only a few states permitted interstate banking. Today, only a few states prohibit it. ■

Ex-Kidder Municipal Head Sets Up Investment Firm

NEW YORK — William G. Ferrell, who ran Kidder, Peabody & Co.'s municipal and public finance departments until last January, has started his own investment banking firm.

W.G. Ferrell & Co., based in Greenwich, Conn., will not be restricted to municipal finance, according to a statement issued by Mr. Ferrell. One of its initial assignments is developing an investment vehicle that will permit institutions and other investors to participate in global currency and debt markets.

Mr. Ferrell, an 11-year veteran of Citibank, headed the tax-exempt sales force there before joining Kidder Peabody in 1978. ■

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